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OIL, GAS & MINERAL LEASE

PROD 88 (REV 5/93)
PAID-UP

THIS LEASE AGREEMENT is made effective the 10th day of August, 2010, between **6J REAL ESTATE, LTD.**, as Lessor (whether one or more), whose address is: 801 E. Northside Drive, Fort Worth, Texas 76102 and **FINLEY PRODUCTION CO., LP**, as Lessee, whose address is: P.O. Box 2200, Fort Worth, Texas 76113. All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars and Other Valuable Consideration, (\$10.00 and OVC), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbons and non hydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in **TARRANT COUNTY** to wit:

1.8829 acres, more or less, being Lot 1, Block 1 of the Northside Industrial Park Addition, an Addition to the City of Fort Worth, Tarrant County, Texas, more particularly described by metes and bounds in that certain plat recorded in Volume 388-170, Page 42 of the Plat Records, Tarrant County, Texas.

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any rentals and shut-in royalties hereunder, said land shall be deemed to comprise 1.8829 acres, whether it actually comprises more or less.

2. **Term of Lease.** This lease shall be in force for a primary term of **Three (3) Years** from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be **Twenty Five Percent (25%)** of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be **Twenty Five Percent (25%)** of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if during or after the primary term one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substance covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee for a period of 90 consecutive days, then Lessee may pay shut-in royalty of one dollar per acre of land then covered by this lease, such payment to be made to Lessor on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in and it shall be considered that such well is producing in paying quantities for all purposes hereof during any period for which such shut-in royalty is tendered; provided that if this lease is otherwise being maintained by the payment of rentals or by operations, or if a well or wells on the leased premises is producing in paying quantities, no shut-in royalty shall be due until the end of the 90-day period next following the end of the rental period or the cessation of such operations or production, as the case may be. Lessee shall have free use of oil, gas, water, and other substances produced from said land, except water from Lessee's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing and recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. A unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed 80 acres plus a maximum acreage tolerance of 10% or a gas well shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil well or a gas well, whether or not horizontally completed, in order to conform to any well spacing or density pattern prescribed or permitted by any governmental authority having jurisdiction over such matters. For a well which is a horizontal completion with a single horizontal component, a unit shall not exceed 1000 acres, or a horizontal completion with dual opposing laterals shall not exceed 2000 acres, unless larger units are prescribed or permitted by any governmental authority having jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit may include, but is not required to include, lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if there were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit, provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well

spacing or density pattern permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgement of Lessee, promote the conservation of covered minerals in and under and that may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the effective date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereafter shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within 180 days following the expiration thereof.

7. **Ownership Changes.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the lease premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises.

9. **Release of Lease.** Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

10. **Regulation and Delay.** Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells. Notwithstanding the provisions of paragraph 2 above, when drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control (commonly referred to as "force majeure"), this lease shall not terminate because of such prevention or delay and, at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

11. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work a forfeiture or termination of this lease nor cause a termination or revision of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or cancelled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principal - agent relationship between Lessor and Lessee for any purpose.

12. **Well Waiting to be Fraced:** Notwithstanding anything to the contrary contained in this lease, at the option of Lessee, which may be exercised by Lessee giving notice to Lessor, a well which has been drilled and Lessee intends to frac shall be deemed a well capable of producing in paying quantities and the date such well is shut-in shall be when the drilling operations are completed.

13. **Off-site Operations:** As a result of land development in the vicinity of said land, governmental rules or ordinances regarding well sites, and/or surface restrictions as may be set forth in this lease and/or other leases in the vicinity, surface locations for well sites in the vicinity may be limited and Lessee may encounter difficulty securing surface location(s) for drilling, reworking or other operations. Therefore, since drilling, reworking or other operations are either restricted or not allowed on said land or other leases in the vicinity, it is agreed that any such operations conducted at a surface location off of said land or off of lands with which said land are pooled in accordance with this lease, provided that such operations are associated with a directional well for the purpose of drilling, reworking, producing or other operations under said land or lands pooled therewith, shall for purposes of this lease be deemed operations conducted on said land. Nothing contained in this paragraph is intended to modify any surface restrictions or pooling provisions or restrictions contained in this lease, except as expressly stated. IN WITNESS WHEREOF, this lease is executed effective the date first written above, and upon execution shall be binding upon the signatory whether or not this lease has been executed by all parties named herein as Lessor.

14. **Renewal Option:** Lessee is hereby given the option to extend the primary term of this lease as to all or any portion of the lands covered hereby for an additional two (2) years from the original primary term. This option may be exercised by Lessee at any time during the last year of the original primary term by paying or tendering to Lessor in the depository named hereinabove the sum equal to the original bonus consideration per net mineral acre of lands as to which Lessee wishes to extend this lease. All of the provisions of this lease relating to the payment of rentals and shut-in royalties, including but not limited to the provisions regarding changes in ownership shall apply equally to this payment. Should this option be exercised as herein provided, it shall be considered for all purposes as though this lease originally provided for a primary term of five (5) years.

17. **No Surface Use:** Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

[Signatures on Following Page]

LESSOR:

6J REAL ESTATE, LTD.

BY: 6J MANAGEMENT, LLC, its General Partner

Janice Bandy
By: Janice Bandy, Manager

LESSEE:

FINLEY PRODUCTION CO., LP

BY: FPC GP, LLC

Clinton Koerth
By: Clinton Koerth, Vice President

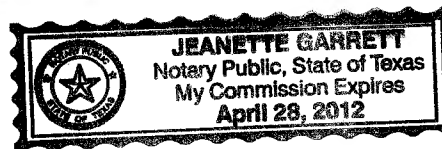
ACKNOWLEDGMENT

THE STATE OF Texas
COUNTY OF Tarrant

BEFORE ME, the undersigned, a Notary Public, on this day personally appeared by, **Janice Bandy** as Manager of 6J Management, LLC, as general partner and on behalf of 6J Real Estate, Ltd., known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged, that (s)he has executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 12th day of August, 2010

[SEAL]
Jeanette Garrett
Notary Public in and for the
State of Texas



My Commission Expires:

4/28/2012

Jeanette Garrett
Print Name of Notary Public Here

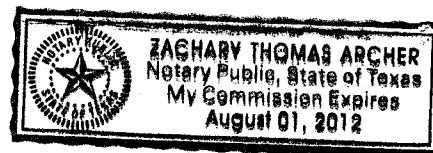
ACKNOWLEDGMENT

THE STATE OF TEXAS
COUNTY OF TARRANT

BEFORE ME, the undersigned, a Notary Public, on this day personally appeared by, **Clinton Koerth** as Vice President on behalf of FPC GP, LLC a General Partner of Finley Production Co. LP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged, that (s)he has executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 27th day of August, 2010

[SEAL]
Zachary Archer
Notary Public in and for the
State of Texas

My Commission Expires: 8-1-2012

ZACHARY ARCHER
Print Name of Notary Public Here

EXHIBIT "A"

ADDENDUM TERMS TO OIL, GAS AND MINERAL LEASE

This Addendum is attached to and made a part of that one certain Oil, Gas and Mineral Lease entered into by and between 6J Real Estate, Ltd., a Texas limited partnership ("Lessor") and Finley Production Co., LP ("Lessee"), dated August 10, 2010 (the "Printed Form"). Notwithstanding anything to the contrary contained within the Oil, Gas and Mineral Lease, the following provisions of this Addendum shall control. The Oil, Gas and Mineral Lease and this Addendum shall be referred to collectively as the "Lease."

1. **TERM.** If at the end of the primary term, this Lease is perpetuated by production of oil and/or gas in paying quantities, then this Lease shall automatically terminate as to all rights granted by this Lease below one hundred (100) feet below the base of the deepest formation from which oil and/or gas is then being produced. Provided, however, if at the end of the primary term, Lessee is engaged in drilling an additional well or wells pursuant to the provisions of this Lease, then this Lease shall not terminate with respect to the depths described in this paragraph so long as development continues in accordance with the terms of this Lease. Furthermore, if at the end of the primary term, Lessee is engaged in deepening an existing well, then for purposes of this paragraph only, the deepening of an existing well will be considered a continuous development operation of this Lease, and so long as Lessee continues developing the leased premises in accordance with the terms of the Lease, the rights to the depths described in this paragraph will not terminate.

2. **POOLING.** Notwithstanding any other provision contained herein or in the Printed Form to the contrary, in the event the leased premises is pooled or unitized with other lands so as to form a pooled unit, then unless Lessor consents otherwise in writing, all of the leased premises shall be included in any such unit for purposes of calculating Lessor's share of the royalty. Notwithstanding any provision of the lease to the contrary, in the event Lessee desires to form a unit for a gas well that is a horizontal completion, Lessee shall not be entitled to form or declare a unit or pool that includes the leased premises in a unit that exceeds six hundred forty (640) acres plus a maximum acreage tolerance of ten percent (10%) without the prior written consent of Lessor. Notwithstanding anything herein or in the Printed Form to the contrary, the Lessee shall not be entitled to form or declare a unit or pool for a non-horizontal completion that includes the leased premises in a unit that exceeds eighty (80) acres.

3. **ENHANCEMENT CLAUSE.** It is agreed between Lessor and Lessee that, notwithstanding any language herein or in the Printed Form to the contrary, all oil, gas or other proceeds accruing to the credit or benefit of Lessor under this Lease or by state law shall be without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products to be produced under the Lease; however, in the event Lessee determines in good faith that it can obtain a higher price at a market located outside of the local market, and Lessee incurs transportation costs charged by an unaffiliated interstate or intrastate gas pipeline in order to enhance the value of the oil, gas or other products, Lessor's pro rata share of such costs may be deducted from Lessor's share of production. In no event shall Lessor ever receive a price that is less than the price to be received by Lessee. Lessee agrees to provide and make available to Lessor upon written request Lessee's records maintained or utilized in connection with any efforts to enhance the value of the oil, gas or other products to be produced pursuant to and in connection with this Lease together with any costs paid or proceeds received by Lessee hereunder. It is the intent of the parties that the provisions of this section are to be fully effective and enforceable and are not to be construed as surplusage.

4. **SURFACE USE RESTRICTIONS.** Lessee expressly waives any and all rights to use the surface of the leased premises for any purpose whatsoever; provided, however, Lessee may recover oil, gas and associated hydrocarbons from the leased premises by directional or horizontal drilling, pooling, unitization or any other method provided in this Lease from surface locations outside of the leased premises until such time that the Lease has terminated according to its terms and conditions. Notwithstanding anything contained herein or in the Printed Form to the contrary, Lessee shall not use any water located on or beneath the surface of the leased premises for any purpose including, but not limited to, drilling, water injection, saltwater injection, secondary recovery or other operations. The parties agree that section 6 of the Printed Form shall be deemed to be deleted in its entirety.

5. **INDEMNITY.** LESSEE AGREES TO INDEMNIFY AND HOLD HARMLESS LESSOR, AND LESSOR'S REPRESENTATIVES, SUCCESSORS, AND ASSIGNS AGAINST ALL EXPENSES, CLAIMS, DEMANDS, LIABILITIES, AND CAUSES OF ACTION OF ANY NATURE FOR INJURY TO OR DEATH OF PERSONS AND LOSS OR DAMAGE TO PROPERTY, INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES, EXPERT FEES, AND COURT COSTS, CAUSED BY LESSEE'S OPERATIONS ON SAID LAND OR LANDS POOLED THEREWITH OR LESSEE'S MARKETING OF PRODUCTION FROM THE LAND OR ANY VIOLATION OF ANY ENVIRONMENTAL REQUIREMENTS BY LESSEE. AS USED IN THIS PARAGRAPH, THE TERM "LESSEE" INCLUDES LESSEE, ITS AGENTS, EMPLOYEES, SERVANTS, CONTRACTORS, AND ANY OTHER PERSON ACTING UNDER ITS DIRECTION AND CONTROL, AND ITS INDEPENDENT CONTRACTORS.

6. **LIMITATION TO OIL AND GAS.** This Lease is expressly limited to cover only oil and gas, but some other substances (including helium and sulphur) may be produced necessarily with and incidental to the production of oil and gas from the leased premises; and, in such event, this Lease shall also cover all such other substances so produced.

7. **RELEASES REQUIRED.** If this Lease terminates for any reason, then Lessee shall deliver a complete, fully executed, recordable release to Lessor within thirty (30) days.

8. **NO WARRANTIES OF TITLE.** This Lease is given and granted without warranty of title, express or implied, in law or in equity. Lessor makes no warranty of any kind with respect to title to the surface or mineral estate in the property or any portion of or interest therein. All warranties by Lessor that might arise by common law or by statute, including but not limited to Section 5.023 of the Texas Property Code (or its successor), are excluded. Lessee understands and agrees that Lessee is taking this Lease subject to any and all existing encumbrances with respect to the property including, but not limited to, that certain Oil, Gas, and Mineral Lease dated June 15, 2006 executed by and between B.J. Holdings, L.P. and Dale Resources, LLC, recorded at Instrument No. D206222928 in the Real Property Records of Tarrant County, Texas. By acceptance of this Lease, Lessee acknowledges that it has been given full opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the property. Lessee assumes all risks resulting from possible title failures, including but not limited to, all moneys received by Lessor from Lessee pursuant to this Lease.

9. **PROPORTIONATE REDUCTION FOR LESS THAN ENTIRE INTEREST.** It is agreed that if Lessor owns an interest in the oil or gas in and under any of the leased premises which is less than the entire gas fee simple estate, then the royalties and all other benefits to accrue or to be paid to such party hereunder as to such lands shall each be reduced to the proportion thereof which the mineral fee estate of such party in such land bears to the entire mineral fee estate, provided that in no event shall there be any refund of any amounts previously paid to such party as bonus.

10. **ALTERATION/MODIFICATION.** The terms of this Lease cannot be altered or amended except by a written instrument clearly demonstrating such purpose and effect, and executed by both parties to this Lease. The written instrument shall describe the specific terms or provisions being altered and the proposed modification or change thereto. Any notation or legend attached to a royalty check shall be null and void and without legal significance for the purpose of altering this Lease.

11. **ATTORNEY'S FEES.** In the event that either party shall be required to employ legal counsel for the enforcement of any provision of this Lease, the prevailing party will be entitled to recover from the non-prevailing party reasonable attorney's fees and expenses incurred.

12. **FORCE MAJEURE.** Lessee's obligations under this Lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including environmental regulations, setback requirements, restrictions on the drilling and production of wells, and the price of oil, gas and other substances covered hereby. To the extent any such laws, rules, regulations or orders are less restrictive than the terms of this Lease, this Lease shall control. The breach of this paragraph will be considered a material breach of the Lease. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any cause not reasonably within Lessee's control, this Lease shall not terminate because of such prevention or delay. Lessee shall not be liable for breach of any express or implied covenants of this Lease when drilling, production or other operations are so prevented, delayed or interrupted. Lessee shall take all reasonable actions to remove or end any cause of force majeure as soon as reasonably possible.

13. **SHUT-IN ROYALTY.** If at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of producing oil or gas or other substances covered hereby in paying quantities, but such well or wells are either shut-in or production therefrom is not being sold by Lessee, such well or wells shall nevertheless be deemed to be producing in paying quantities for the purpose of maintaining this Lease. A well that has been drilled but not fraced shall be deemed incapable of producing in paying quantities. If for a period of ninety (90) consecutive days such well or wells are shut-in or production therefrom is not being sold by Lessee, then Lessee shall pay shut-in royalty of fifty dollars (\$50.00) per acre then covered by this Lease on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production therefrom is not being sold by Lessee; provided, however, that if this Lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells on the leased premises or lands pooled therewith, no shut-in royalty shall be due until the end of the 90-day period next following cessation of such operations or production.

14. **CITY ORDINANCES.** In the event that any city ordinance or other applicable law contains more stringent requirements than as set forth in this Lease, then such requirements shall be deemed to apply as nothing herein shall be deemed to alter or amend any more stringent requirements that may exist by applicable law from time to time.

15. **NO RIGHT OF FIRST REFUSAL.** Notwithstanding anything to the contrary contained in the Lease, Lessee shall not have any right of first refusal, option to purchase, right to purchase or preferred renewal rights during or after the term of the Lease.

16. **RIGHT TO AUDIT.** Lessee shall keep adequate books, records, and reports concerning oil and/or gas produced, sold, used, and vented/flared under this lease. Lessor shall have the right to audit, once per year at Lessee's place of business with thirty (30) days notice, the pertinent books and records of Lessee in order to determine the correctness of royalties paid and the reports and other information provided hereunder. Lessee shall keep open and available for inspection by Lessor all such books and records throughout the term of this lease and for a period of three (3) years following its expiration or termination. If audit reveals an underpayment Lessee shall promptly reimburse Lessor for the amount of such underpayment and Lessor's reasonable cost of such audit.

17. **SUBSURFACE EASEMENT.** Notwithstanding anything contained in the Lease to the contrary, Lessor does not grant to Lessee a subsurface well bore easement for any well bore which is not intended to develop the leased premises or lands pooled therewith.

18. **NOTICE OF DEFAULT.** Notwithstanding anything contained in the Lease to the contrary, Lessor shall provide Lessee, at Lessee's address stated below, sixty (60) day's written notice of any default under this Lease. This Lease shall not be subject to cancellation or termination for breach or other violation of the Lease unless Lessee has failed to cure such default within said sixty (60) days from the date of Lessor's written notice; provided that if Lessee is unable, by reason of the nature of the default, to cure same within such sixty (60) day period, Lessor shall not have such termination/cancellation right in the event Lessee undertakes to cure the default within such sixty (60) day period and continues diligently until same is cured. Lessee's address for notice purposes is set forth below (or such subsequent address as is provided to Lessor in writing, effective sixty (60) days following such notice):

Finley Production Co., LP
1308 Lake Street
Fort Worth, Texas 76102

LESSOR:

6J REAL ESTATE, LTD.
BY: 6J MANAGEMENT, LLC, its General Partner


By: Janice Bandy, Manager

LESSEE:

FINLEY PRODUCTION CO., LP
BY: FPC GP, LLC


By: Clinton Koerth, Vice President

SUZANNE HENDERSON

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

FINLEY RESOURCES
1308 LAKE ST
FT WORTH, TX 76102

Submitter: FINLEY RESOURCES

DO NOT DESTROY
WARNING - THIS IS PART OF THE OFFICIAL RECORD.

Filed For Registration: 8/27/2010 3:13 PM

Instrument #: D210210010

LSE

7

PGS

\$36.00

By: _____

Suzanne Henderson

D210210010

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: VMMASSINGILL